

Presentation to JFAC Committee

State Employee Compensation Statutes

State Compensation Philosophy

Idaho Code § 67-5309A (1):

It is hereby declared to be the intent of the legislature of the state of Idaho that the goal of the total compensation system for state employees shall be to fund a competitive employee compensation and benefit package that will attract qualified applicants to the work force; retain employees to maintain high standards of productivity; and reward employees for outstanding performance.

Compensation Standards

Idaho Code § 67-5309A (2):

- a) The state's overall compensation system, which included both a salary and a benefit component, when taken as a whole shall be competitive with relevant labor market averages.
- b) Advancement in pay shall be based on job performance and market changes
- c) Pay for performance shall provide faster salary advancement for higher performers based on a merit increase matrix developed by the division of human resources.
- d) All employees below the state's midpoint market average in salary range who are meeting expectations in the performance of their jobs shall move through the pay range towards the midpoint market average.

Budgetary Conditions

Idaho Code §67-5309A (3):

It is hereby declared to be legislative intent that regardless of specific budgetary conditions from year to year, it is vital to fund necessary compensation adjustments each year to maintain market competitiveness in the compensation system. In order to provide this funding commitment in difficult fiscal conditions, it may be necessary to increase revenues, or to prioritize and eliminate certain functions or programs in state government, or to reduce the overall number of state employees in a given year, or any combination of such methods.

CEC Recommendation Inclusions

- a) A recommendation for market related changes necessary to address system wide structure adjustments to stay competitive with relevant labor markets. Such recommendations may include a market related payline adjustment for all eligible employees, as well as the structure, to avoid compression in the salary system.
- b) A recommendation for market related changes necessary to address specific occupational inequities.
- c) A recommendation for a merit increase component.
- d) A recommendation for any changes to the employee benefit package, including any adjustments to the overall design of the benefit package and/or employee contributions.